

OPEN MEETING AGENDA ITEM

MEMORANDUM

TO: Docket Control

FROM: Elijah O. Abinah
Director
Utilities Division



DATE: July 7, 2022

RE: IN THE MATTER OF ESTABLISHING A COMMISSION POLICY FOR THE DEVELOPMENT AND INTEGRATION OF COMPETITIVE COMMUNITY SOLAR AND COMMUNITY ENERGY STORAGE PROJECTS IN ARIZONA (DOCKET NO. E-00000A-22-0103)

At the last Community Solar Working Group meeting we heard from developers. At the next meeting, Arizona Corporation Commission ("Commission") Utilities Division Staff ("Staff") requests that regulated utilities, in particular Arizona Public Service Company ("APS"), Tucson Electric Power ("TEP"), UNS Electric, Inc. ("UNSE") and Grand Canyon State Electric Cooperative Association ("GCSE"), come prepared to address the list of items attached to this memorandum.

The next Community Solar Working Group meeting is scheduled to be held in Hearing Room One, Thursday, July 14, 2022, at 12:00 p.m.

EOA:CCN:elr/KMU

Originator: Cameron Nance

Attachment

Community Solar Working Group

Topics for 7-14-22 Community Solar Working Group

Items to be specifically addressed by APS, TEP, UNSE, GCSE:

1. Utility Definition of Community Solar

- What is the utility's definition of Community Solar?
- Do the member-owned cooperatives have a separate or distinct definition?
- What are the primary differences from the definition that the developers have put forth?
- Who would qualify for Community Solar?
- What involvement does the utility have in the siting and sizing of the Community Solar system(s)?
- How are the Community Solar system(s) incorporated into the Integrated Resource Plans?

2. Structure of Community Solar

- Who would be responsible for paying for the solar facility?
- Would the utility take title similar to how the buy through is structured for AG-X?
- What would be the recovery method? Power Supply Adjustor?
- Would the Community Solar system(s) be put into rate base?
- Would the Community Solar system(s) be treated like a Power Purchase Agreement?
- If the Community Solar system(s) is treated like a Power Purchase Agreement, would the utility pay the developer market rates or above-market rates?
- How would the utility ensure no cross-subsidization?
- How would Community Solar providers ensure compliance with federal and state securities laws?

3. Consumer Protections

- Who would regulate the Community Solar providers or developers that are not public service corporations?
- Who would approve the Disclosure Statements/Contract Terms/Subscriptions?
- Who would monitor the advertising/marketing of the Community Solar providers?
- Who would handle consumer complaints directly relating to the Community Solar provider or the Community Solar agreement? Arizona Attorney General's Office? Utility? Arizona Corporation Commission?
- Does the establishment of a Community Solar program fall within the jurisdiction of the Arizona Corporation Commission?
- Who would review the rates that are "charged" by the Community Solar providers?

- How would the Community Solar providers know who “qualifies” in order to market specifically to them (for example, how will the developer know who to reach as a limited-income customer)?